

July 30, 2002

Dear Ms. Woods:

I received your email regarding an operational agreement with BellSouth Long Distance. I want to bring you up to date on our progress in developing the business and technical requirements that will be necessary to provide BSLD services to your end users.

BSLD is continuing to review the business and technical requirements to support the provision of its services to CLEC end users. Our findings to date indicate that most CLECs cannot or do not make available to IXC's the broad range of services needed by BSLD to provide service to the end users of those CLECs. For example, we are finding that many CLECs do not offer billing and collection services. As an alternative, when we considered using our existing clearinghouse vendor, we found that many (if not most) CLECs do not have standing arrangements with this vendor. In addition, it is also our understanding that CLECs currently have no way of providing CARE information to BSLD in a format that will allow us to provide service to their end users. As a result of these and other issues, BSLD must create a variety of new processes to enable it to provide any services to CLEC end users.

Because of the unanticipated initial interest in obtaining BSLD services for CLEC end users, we are actively reviewing the work that must occur to allow this to happen. Because of the extensive scope of work that will need to take place, we expect that it will be at least 60 to 90 days before we will be able to provide service to CLEC end users and, even then, we may not be able to provide more than a limited number of offerings. We also expect constraints on our ability to interface mechanically with CLECs for some period of time. We are continuing to develop additional options, but we do not yet have an estimated availability date for these alternatives.

You can help us finalize our initial and future phases of availability by completing the attached questionnaire and returning it to me by August 10, 2002.

Sincerely,

Janet A. Kibler
AVP – Planning and Development
BellSouth Long Distance

Attachment